

25X1

Approved For Release 2005/08/22 : CIA-RDP85T00875R001100100044-7

Approved For Release 2005/08/22 : CIA-RDP85T00875R001100100044-7

CIA/0.4/1M-1540/71

SECRET

65 25X1

NO. 1540/71

CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
22 August 1971

INTELLIGENCE MEMORANDUM

BOLIVIA
(Situation as of 0730 EDT)

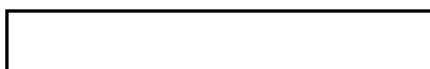
1. A three-man junta has been named to succeed Juan Jose Torres who fled the Presidential Palace last evening in the midst of heavy fighting in La Paz. The new government leaders are retired Colonel Hugo Banzer, General Jaime Mendieta, commander of the 7th Division in Cochabamba, and Colonel Andres Selich, commander of the Montero Ranger Regiment in Santa Cruz. Mario Gutierrez, leader of the moderate rightist Bolivian Socialist Falange (FSB), and Ciro Humboldt, a leader of the moderate leftist National Revolutionary Movement (MNR), are to be named ministers of state. The announcement of the new government apparently came from 7th Division headquarters which also named Santa Cruz as the temporary capital of Bolivia. Colonel Banzer reportedly was captured by the Torres government last Thursday, but the rebel-controlled radio announced last night that he was free and well in La Paz.

2. The whereabouts of deposed President Torres is unknown



25X1

3. Sporadic gunfire is still heard in La Paz and is likely to continue throughout the day, but the major fighting appears to be over. Official reports estimate that the death toll from yesterday's



SECRET

25X1

SECRET

25X1

fighting and last night is over 100 dead and some press reports indicate that it may go much higher. The heaviest fighting occurred when the only troops remaining loyal to President Torres, the presidential guard "Colorados" Regiment, attacked a military garrison in La Paz with the aid of workers and students who had been armed by the commander of the Colorados. The rebel unit finally managed to fight its way out with the aid of four vintage World War II fighter planes which carried out strafing runs over the Colorados.

4. At one stage of the battle in La Paz the residence of the US Marine guards for the embassy was besieged by students and workers armed with machine guns. Despite considerable damage to the residence apparently no one was seriously injured. The remainder of the official US community in La Paz were not seriously threatened, although the US Embassy was damaged somewhat by demonstrators over the past two days.

5. The form the new government will eventually take is not clear at this time, but it is certain to be more moderate than the leftist regime of President Torres. In the past few days the military may finally have achieved a degree of unity that has been absent for some time. Included in the government will be elements of the MNR and the FSB, both of which have been excluded from participation in any government since the overthrow of the MNR regime of Paz Estensso in 1964. These two parties have never cooperated well in the past and friction in the new government is inevitable. In addition, the new government can expect continuing trouble with the leftist students and labor who came close to exercising power under Torres and may not be willing to give up easily.

25X1

SECRET